April 1997 Volume II, Number 7

Increasing Immunization Rates among Adults

In an ongoing effort to improve immunization rates among the elderly and underserved populations, HCFA, along with the Centers for Disease Control and Prevention and the National Coalition for Adult Immunization recently sponsored a conference, "Partners Promoting Adult Immunization" in Chicago.

The conference focused on targeting underserved beneficiaries, running cost-effective influenza and pneumococcal immunization campaigns, media strategies, improving provider immunization practices, evaluation techniques, and managed care. About 500 individuals from state and local immunization programs, public health departments, managed care plans, peer review organizations, carriers, and fiscal intermediaries attended the conference and heard presentations from leaders in the health care community.

In his remarks to attendees, HCFA's Joe Tilghman conveyed the far-reaching impact of the adult immunization effort. Tilghman told participants that they should be proud of the work being done to raise adult immunization rates among Medicare beneficiaries because in addition to saving Medicare money from costly medical and hospital bills and improving



Kansas City Regional Administrator

beneficiaries' health, they are changing behaviors as well. Beneficiaries are becoming more proactive when it comes to preventive health services and are asking to be immunized instead of waiting for immunization to happen.

In sponsoring the conference, HCFA expects that newly gained knowledge on adult immunization practices will enable attendees to work effectively with other organizations and strengthen their immunization campaigns. HCFA'S Seattle Regional Office

has already begun an effort to push for better influenza vaccination rates among African-Americans in the state of Washington. More details on this effort are presented in the article, "Improving Influenza Vaccination Rates" on page 4.◆

New Directions in Medicare and Medicaid



Ava Chung (left), Boston Deputy Regional Administrator, talks to Sid Kaplan, Boston Regional Administrator; Bruce Fried, Office of Managed Care Director; and Richard Dicker, Boston Regional Office Medical Officer.

In a recent collaboration between HCFA and the New England Health Care Assembly (NEHA), HCFA leadership discussed future directions in Medicare and Medicaid with the provider community in the Boston area.

The NEHA conference, "New Directions in Medicare and Medicaid," examined how HCFA is changing as an administrative agency and how those changes affect providers. Among the issues discussed were managed care, commitment to partnerships, a renewed focus on beneficiaries, and improving communication with the provider and payer communities.

In his keynote address, HCFA Administrator Bruce Vladeck described how HCFA's current restructuring will best serve the agency as well as the individuals and organizations it interacts with on a regular basis -

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The HCFA Health Watch is published monthly, except when two issues are combined, by the Health Care Financing Administration to provide timely information on significant program issues and activities to its external customers.

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New Requirements for Home Health Agencies

Proposed revisions in the conditions of participation that home health agencies (HHAs) must meet as participating Medicare providers place greater responsibility on HHAs to evaluate and improve the quality of services provided to beneficiaries.

One change will require HHAs to conduct criminal background checks on home health aides as a condition of employment. Other revisions will focus on patient rights, patient assessment, care planning and coordination, and quality assessment and performance improvement.

The proposed revisions, which were developed through a series of meetings involving HCFA, the health care community, and consumer groups, were recently published in the *Federal Register*. The changes reflect the Clinton Administration's philosophy that the best way to ensure quality is to encourage providers to continuously monitor clinical outcomes and patient satisfaction and to improve their performance based on the results of the monitoring.



Message from the Administrator

Free Cell

Bruce C. Vladeck

RESIDENT CLINTON recently submitted his Fiscal Year (FY) 1998 budget proposal to Congress. The proposal contains provisions for modernizing Medicare and taking strong steps to fight program fraud and abuse. On the Medicaid side, the President's plan would increase state flexibility in program administration while curtailing expenditures. A portion of these Medicaid savings would be reinvested in the program to increase medical insurance coverage for children and legal immigrants.

These proposals, if passed into law, would have significant ramifications for Medicare and Medicaid program administration. Within HCFA, we are preparing to meet the challenge posed by systemic program reforms. For the past year, we have been engaged in an effort to restructure the agency in a way that, like the Administration's FY 1998 budget proposal, is designed to meet the demands of public-sector health care financing in the late -1990s and into the next century.

Throughout 1996, HCFA solicited input on how to improve the way we perform our work. We spoke with Medicare and Medicaid beneficiaries, health care experts, federal and state officials, and private corporations. The result of this information-gathering process led HCFA's leadership to identify a new, core function around which our future organization would be configured. We have called this function "beneficiary-centered purchasing," and, at its most basic level, it means that HCFA will use its position in the health care marketplace to ensure that we buy the best quality health care at the most reasonable price on behalf of Medicare and Medicaid beneficiaries.

The agency's internal reform effort is consistent with the Administration's FY 1998 budget proposal. Among the beneficiary-centered purchasing features of the President's plan are:

- Access to comparative information, so beneficiaries can be informed health care consumers;
- Integrated Quality Management System across the Medicare and Medicaid programs;
- More flexible purchasing authority, including competitive pricing;
- New post-acute care payment system and collection of assessment data; and,
- Elimination of unnecessary administrative requirements.

By combining the President's FY 1998 budget proposal with internal agency reforms, we plan for HCFA program administration to evolve in a manner consistent with overall change in the American health care system. At the same time, we plan to not only maintain but improve the quality of services to which Medicare and Medicaid beneficiaries are entitled.

Fraud and Abuse Survey Efforts Expanded

The passage of the Health Insurance Portability and Accountability Act (HIPAA), otherwise known as the Kassebaum-Kennedy bill, created consistent funding for HCFA, the Office of the Inspector General, and the Department of Justice to fight Medicare fraud and abuse.

The funding, available under the Health Care Fraud and Abuse Control Account Program, is parceled out to each agency for its specific health care fraud efforts. HCFA has decided to use its share of money from the Control Account Program to expand survey efforts to identify potentially fraudulent providers.

State agencies will conduct surveys focusing on home health agencies, skilled nursing facilities, certified labs, durable medical equipment suppliers, ancillary therapy service providers in long-term care facilities, and community mental health facilities. Initially, 15 state agencies that have identified potentially fraudulent providers will be using the Control Account funds. Additional funds will be made available to HCFA contract agencies to provide support to state agencies in the identification and referral of potentially fraudulent providers to the appropriate law enforcement agency.

New Directions

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beneficiaries, health plans, providers, and the states. According to Vladeck, Medicare's primary goal is to become a more cost-effective purchaser of high-quality health care that meets the needs of all beneficiaries, especially the most vulnerable. Medicaid's primary goal is to protect and improve the health of the nation by expanding and improving safety-net coverage for the most vulnerable citizens through state Medicaid demonstration waivers.

Based on the success of the NEHA conference, similar sessions, especially those focusing on beneficiaries, may be offered. News about future conferences will be included in the *Health Watch*.

Upcoming Events of April and May

- APRIL 10 Administrator Bruce C.Vladeck visits Vencor, Inc., a long-term healthcare network in Louisville, Ky.
- APRIL 14 Administrator Vladeck speaks at the American Optometric Association in Washington, D.C., on *Medicare and Medicaid prospects for passage of reform legislation*.
- APRIL 16 Administrator Vladeck speaks at the HCFA/University of Texas at Dallas Healthcare Symposium.
- APRIL 21 Administrator Vladeck speaks at the Texas Joint Conference on Aging in Abilene, Tex., on *An overview of the future of health care in America*.
- APRIL 25 Acting Deputy Administrator Sally K. Richardson speaks at the West Virginia University School of Medicine's Grand Rounds and at the academic celebration of Dr. R. John C. Pearson.
- APRIL 29 Acting Deputy Administrator Richardson speaks at the International Business Communications' Fourth Annual Medicaid Managed Care Congress in Cambridge, Mass., on *The impact of welfare veform and other congressional changes on IICFA's policies*.
- May 1 Administrator Vladeck addresses the American Academy of Orthopedic Surgeons in Washington, D.C. on *Medicare reform*.
- May 2 Administrator Vladeck addresses the National Association of Medicaid Fraud Control Units in Miami, Fla., on *HCFA's role in preventing health care fraud*.

Acting Deputy Administrator Richardson speaks at the Public/Private Behavioral Healthcare Summit in Arlington, Va., on Next steps in government-sponsored behavioral healthcare funding: A view from inside the beltway.

- May 5 Administrator Vladeck speaks at the Hospital and Healthcare Association of Pennsylvania in Harrisburg, Pa., on *Transitioning to the next stage of integration*.
- May 8 Holocaust Memorial Observance at HCFA headquarters in Baltimore.
- May 15 Administrator Vladeck addresses the National Association of Children's Hospitals and Related Institutions in Hutchinson Island, Fla., on Major issues affecting children's hospitals.
- May 19 Administrator Vladeck speaks at the University of Connecticut Health Center in Farmington, Conn., on What HCFA expects from the health care community in providing care for older Americans.
- May 22 Beneficiary Services Honor Awards Ceremony at HCFA head-quarters in Baltimore.

News from HCFA's Regional Offices

Boston

Discharge Planning Packet Available

The Northern New England Partnership has developed a Discharge Planning Information Packet for Medicare beneficiaries on patients' rights, doctors' services, home health and hospice care, durable medical equipment, women's health, and the Insurance, Counseling, and Assistance program.

The partnership is comprised of the Northeast Health Care Quality Foundation (the Maine/New Hampshire/Vermont Peer Review Organization), HCFA, AARP, three Medicare contractors, and state public health departments. The packet can be tailored by hospitals to meet the needs of individual patients. For more information or to obtain a copy of the Discharge Planning Packet, contact Pat Elwell, Northeast Health Care Quality Foundation, at (603) 749-1641.◆

New Regulations/Notices

New and Pending Demonstration Project Proposals Submitted Pursuant to Section 1115(a) of the Social Security Act December 1996 (ORD-096-N)—Published 2/25 This notice announces Section 1115 proposals that were received, pending, approved, disapproved or withdrawn during December 1996. (This notice can be accessed on the Internet at http://www.hcfa.gov/ord/ordhp1.html).

Medicare and Medicaid Programs; Revision of the Conditions of Participation for Home Health Agencies and Use of the Outcome and Assessment Information Set (OASIS) as Part of the Revised Conditions of Participation for Home Health Agencies—Published 3/10 This introduction explains the background for two proposed rules relating to revised conditions of participation that home health agencies must meet to participate in the Medicare and Medicaid programs.

Medicare and Medicaid Programs; Conditions of Participation for Home Health Agencies (BPD-819-P)—Published 3/10 This proposed rule revises the

Seattle

Improving Influenza Vaccination Rates

As part of the Department's year 2000 goal to have at least 60 percent of people aged 65 and over receiving an annual influenza vaccination, HCFA's Seattle Regional Office recently completed a demonstration project to increase the influenza immunization rate among African-American Medicare beneficiaries.

The national rate for African-American Medicare beneficiaries is about one-half that for Caucasian beneficiaries. This disparity is also true in the state of Washington where, in 1994, only about 24.2 percent of the African-American beneficiary population had Medicare pay for their flu shots in comparison to 44.9 percent of Caucasian beneficiaries. To promote the Medicare immunization benefits, HCFA mailed letters to African-American beneficiaries who were not enrolled in managed care plans in two areas of the state. Beneficiaries were encouraged to get flu shots and were provided information about the availability of flu shots in the area.

Based on billing data, HCFA's intervention project was a success. The number of African-American beneficiaries who received flu shots in the targeted area increased by six percent over the previous year. In other areas of the state, the increases were small or nonexistent.

HCFA is encouraging Peer Review Organizations to implement intervention programs that will continue to improve the vaccination rate among Medicare beneficiaries.

existing conditions of participation that home health agencies must meet to participate in the Medicare program.

Medicare and Medicaid Programs; Use of the OASIS as Part of the Conditions of Participation for Home Health Agencies (HSQ-238-P)—Published 3/10 This proposed rule would require that home health agencies use a standard core assessment data set, the "Outcomes and Assessment Information Set" (OASIS), when evaluating adult, non-maternity patients.

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